

New Hire - Required Enrollment in Medicare Part A and Part B upon Eligibility

Congratulations on becoming a State of Delaware employee! As an active benefit eligible employee, you will be offered the opportunity to enroll in health coverage through the State of Delaware Group Health Insurance Plan (GHIP). Currently, a number of benefit plans are available to you through Aetna and Highmark Delaware. Information on these plans as well as the State Group Health Insurance Plan Eligibility and Enrollment Rules can be found on SBO's website at de.gov/statewidebenefits under the Policies & Procedures page.

As a participant in benefit plans administered by the Group Health Insurance Plan, you must be aware of your responsibilities and obligations with regards to your benefit coverage. Specifically, this Letter of Understanding is intended to provide you with important information regarding required enrollment in Medicare Part A and Part B upon eligibility based upon age or disability.

Medicare Part A benefits provide coverage for inpatient care in a hospital or skilled nursing facility. There is no premium for enrollment in Part A. Medicare Part B benefits provide coverage for doctor's visits, lab services and medical services and supplies not covered through the Part A benefit. There is a premium for Part B coverage which is determined by the Social Security Administration. Additional information on Medicare can be obtained from your local Social Security Administration Office or on Medicare's website at www.medicare.gov.

The situations listed below represent examples of when enrollment is required:

- *Active employee or active employee's spouse enrolled in a State of Delaware health plan turns 65.*
 - o Enrollment in Medicare Part A is required.
 - o Enrollment in Medicare Part B is not required until active employee retires or no longer has active employer health coverage
- *Pensioner or pensioner's spouse enrolled in a State of Delaware health plan, not covered by another active employer's health plan, turns 65 or becomes disabled.*
 - o Enrollment in Medicare Part A is required;
 - o Enrollment in Medicare Part B is required;
 - o Eligible to enroll in the Highmark BCBS Delaware Special Medicfill Medicare Supplement Plan with or without prescription coverage.
- *Pensioner or pensioner's spouse enrolled in a State of Delaware health plan and covered under another active employer's health plan (under pensioner or spouse) turns 65 or becomes disabled.*
 - o Enrollment in Medicare Part A is required;
 - o Enrollment in Medicare Part B can be deferred until no longer covered under active employer's health plan;

STATE OF DELAWARE STATEWIDE BENEFITS OFFICE

97 Commerce Way, Suite 201, Dover DE 19904 (D620E)

Phone: (800) 489-8933 • Fax: (302) 739-8339 • Email: de.gov • Website: de.gov/statewidebenefits

- Eligible to remain enrolled in a State of Delaware non-Medicare health plan until no longer covered under active employer's health plan. Active employer's health plan will provide primary coverage.

Special enrollment rules apply to those diagnosed with End-Stage Renal Disease (kidney disease) or Amyotrophic Lateral Sclerosis (ALS), also known as Lou Gehrig's disease. More information on Medicare enrollment is also located on SBO's website at de.gov/statewidebenefits (*Select Your Group- State Pensioners Medicare- Enrollment*).

Failure to enroll and maintain enrollment in Medicare Part A and Part B upon eligibility may result in you, as the subscriber, being held financially responsible for the cost of claims incurred, including prescription costs, for you and your spouse. You are responsible for providing your Medicare Identification Card for you and your spouse, if applicable, to your Benefit Representative, if an active employee, or the Office of Pensions, if a pensioner, upon enrollment. Pensioners enrolled in Medicare Part A and Part B must provide a copy of their Medicare Identification Card to the Office of Pensions to be enrolled in the State's Special Medicfill Medicare Supplement Plan.

PLEASE NOTE: If you cover a spouse under your Highmark Delaware or Aetna health plan, you are required to complete a Spousal Coordination of Benefits Form online in order to determine your spouse's eligibility status. It is important to note that completion of the Form does not automatically guarantee coverage for your spouse. Failure to complete a SCOB Form when required will result in a reduction of your spouse's coverage. Forms should be completed online at de.gov/statewidebenefits, "Select your Group" and then choose the Spouse and Dependents icon. The *Electronic Form* and a *Self-Service Guide* are located under the FORMS section on the "Spouse" tab.

By signing below or signing the New Employee Orientation Agreement to Comply, you acknowledge your understanding of enrollment in Medicare Part A and Part B, upon eligibility based on age or disability for yourself and your spouse, if applicable.

Questions and concerns may be directed to the Statewide Benefits Office at 1-800-489-8933.

Employee Signature

Employee Name

Date

Original: *Employee Personnel File*

Copy: *Employee*